

Message Text

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44

ACTION FBO-01

INFO OCT-01 EUR-06 ISO-00 A-01 ABF-01 /010 W

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P 241630Z JUN 74

FM AMEMBASSY BERN

TO SECSTATE WASHDC PRIORITY 9196

UNCLAS BERN 2391

E.O. 11652: N/A

TAGS: ABLD, SZ

SUBJ: EXTERIOR REHAB, ER PROPERTY 01276

REF: (A) STATE 125198, (B) BERN OM JUNE 7.

1. EMBASSY PLANS EXECUTE CONTRACTS THIS WEEK FOR SUBJECT WORK AUTHORIZED REFERENCE (A). HOWEVER, DEPARTMENT GUIDANCE IS REQUIRED ON FOLLOWING TWO ITEMS:

A. SINCE SWISS EXCHANGE RATE IN RELATION TO US DOLLAR CONTINUES FLUCTUATE, CONTRACTORS REQUIRE CONTRACTS BE IN SWISS FRANCS IN ACCORDANCE WITH THEIR BIDS AND NOT BASED ON A US DOLLAR VALUE. THEREFORE, PAYMENT COULD EITHER EXCEED OR BE LESS THAN AMOUNT OBLIGATED DEPENDING ON EXCHANGE RATE AT TIME OF PAYMENT. (EMBASSY DOLLAR ESTIMATES WERE BASED ON EXCHANGE RATE OF SF 2.90 TO ONE US DOLLAR. TODAY'S RATE IS SF 3.005 TO ONE US DOLLAR.)

B. CONTRACTORS REQUIRE THAT CONTRACTS INCLUDE ESCALATOR CLAUSE TO COVER POSSIBLE COST INCREASE EXPECTED AS OF JAN 1, 1975. INCREASES WOULD BE BASED ON UNFINISHED WORK AS OF THAT DATE AND WOULD BE FIGURED IN ACCORDANCE WITH DATA FURNISHED BY THE VARIOUS LABOR UNIONS CONCERNED AND SWISS ENGINEERS' AND ARCHITECTS' ASSOCIATION. ESTIMATED INCREASES AMOUNT APPROXIMATELY SF 50,000 (DOLS 17,240). THIS EXPECTED INCREASE LESS DISCOUNT OF APPROXIMATELY SF 25,000 (DOLS 8,620) AUTHORIZED BY CONTRACTORS FOR PROMPT PAYMENT OF BILLS WOULD LEAVE UNCLASSIFIED

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US WITH A DEFICIT OF APPROXIMATELY SF 25,000 (DOLS 8,620).

2. DOES DEPT HAVE ANY OBJECTIONS TO CONTRACTS BEING WRITTEN
IN ACCORDANCE WITH ABOVE INFORMATION?

3. REQUEST IMMEDIATE REPLY (BY TELEPHONE IF NECESSARY) SO
CONTRACTS CAN BE EXECUTED JUNE 26 IF POSSIBLE.
DAVIS

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 24 JUN 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974BERN02391
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740165-0638
From: BERN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740621/aaaaargx.tel
Line Count: 68
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION FBO
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
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Previous Classification: n/a
Previous Handling Restrictions: n/a
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Review Action: RELEASED, APPROVED
Review Authority: elyme
Review Comment: n/a
Review Content Flags:
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Review Event:
Review Exemptions: n/a
Review History: RELEASED <28 FEB 2002 by phillir0>; APPROVED <13 JAN 2003 by elyme>
Review Markings:

Declassified/Released
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EO Systematic Review
30 JUN 2005

Review Media Identifier:
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